

REQUEST FOR PROPOSALS
ACQ-2002-0703-RFP
AMENDMENT 1

This is an amendment to Request for Proposals (RFP) ACQ-2002-0703-RFP issued by The Washington State Department of Transportation on July 14, 2003.

I. The following are revisions to the Request for Proposals:

1. Appendix A, Sections 26.9 and 26.10 are hereinafter revised as follows:

26.9 IT IS AGREED AND UNDERSTOOD THAT ACCEPTANCE OF ANY INDIVIDUAL ITEM OF WORK, PRODUCT, COMPONENT PART, SERVICE OR DELIVERABLE BY PURCHASER, AND/OR PAYMENT FOR THE INDIVIDUAL ITEM OF WORK, PRODUCT, COMPONENT PART, SERVICE OR DELIVERABLE SHALL NOT BE DEEMED AN ACCEPTANCE OF THE RCS.

26.10 IT IS FURTHER AGREED AND UNDERSTOOD THAT THE ACCEPTANCE OF ANY INDIVIDUAL ITEM OR WORK, PRODUCT, COMPONENT PART, SERVICE OR DELIVERABLE BY PURCHASER, AND/OR THE PAYMENT FOR THE INDIVIDUAL ITEM OF WORK, PRODUCT, COMPONENT PART, SERVICE OR DELIVERABLE BY PURCHASER, SHALL NOT BE DEEMED A WAIVER OF PURCHASER'S RIGHT TO RECOVER FROM THE VENDOR MONEY PAID TO VENDOR FOR THE INDIVIDUAL ITEM OF WORK PRODUCT, COMPONENT PART, SERVICE OR DELIVERABLE, IF THE VENDOR FAILS TO DELIVER TO PURCHASER THE COMPLETED RCS REQUIRED BY THIS CONTRACT TO THE LEVEL OF PERFORMANCE REQUIRED HEREIN. THE DECISION TO DO SO SHALL BE AT THE SOLE OPTION OF PURCHASER, AS AN ALTERNATIVE TO THE REMEDIES PROVIDED BY SECTION 71.2 ("TERMINATION FOR DEFAULT") OF THIS CONTRACT.

2. Appendix A, Section 35 is hereinafter DELETED.
3. Section 4.4 in the RCS RFP is hereinafter replaced with the following:

4.4 (M) THE CONTRACT THAT WSDOT MAY AWARD FROM THIS RFP WILL BE PARTIALLY FEDERALLY FUNDED THROUGH TWO GRANTS, WA-90-X278 AND WA-03-0157. VENDOR MUST PROVIDE A CLEAR WRITTEN CONSENT, ACCEPTING THE FTA PROVISIONS, ATTACHED HERETO AND INCORPORATED HEREIN AS APPENDIX E, WITHIN SAID VENDOR'S COVER LETTER. UPON SELECTION

OF THE APPARENTLY SUCCESSFUL VENDOR, THE FTA PROVISIONS AND THE WRITTEN CONSENT WILL BE INCORPORATED INTO THE CONTRACT.

4. Section 22, Shipping and Risk of Loss is hereinafter replaced with the following:

Vendor shall ship all Products purchased pursuant to this Contract, freight prepaid, FOB at Purchaser's destination as indicated below. The method of shipment shall be consistent with the nature of the Products and hazards of transportation. Regardless of FOB point, Vendor agrees to bear all risks of loss, damage, or destruction of the Products ordered hereunder that occurs prior to acceptance except loss or damage attributable to Purchaser's fault or negligence; and such loss, damage, or destruction shall not release Vendor from any obligation hereunder. After acceptance, the risk of loss or damage shall be borne by Purchaser, except loss or damage attributable to Vendor's fault or negligence.

5. Appendix A — RCS Phase II Contract Terms and Conditions page 83 has been revised to clarify the term of the RCS contract. The revisions is as follows:

The term of this Contract shall be for ten (10) years, commencing upon the effective date.

- a. Term of Statement(s) of Work (SOW). The term of any SOW executed pursuant to this contract shall forth in the SOW. The term of the SOW shall not exceed the term of this contract. The SOW may be terminated in accordance with the termination of this contract or am mutually agreed between the parties.

6. Appendix A — RCS Phase II Contract Terms and Conditions has been revised to include the following new Article:

Longshoremen's and Harbor Worker's Insurance (LHWI)

The Purchaser advised the Vendor that in situations where the Vendor employee(s) or subcontractor(s) are requested to work on or adjacent to water will require insurance coverage in compliance with:

- a. The Longshoremen's and Harbor worker's Compensation Act (administered by the U.S. Department of Labor), or
- b. The State Industrial Insurance (administered by the Washington State Department of Labor and Industries), or
- c. Both

Failure to comply with this insurance coverage may result in the Purchaser withholding progress payments until such time the Vendor has fully complied with this section or the Purchaser may take such action as is available to it under the provisions of this contract. Nothing in these

instructions shall relieve the Vendor from complying with other laws or regulations as may apply.

7. The footer on the RFP document should read as follows:

WSDOT

RFP # ACQ-2002-0703-RFP

8. Appendix E is hereinafter revised to include the following:

FEDERAL TRANSIT ADMINISTRATION
BUY AMERICA PROVISION

This Contract is subject to the Federal Transportation Administration's (FTA) Buy America requirements. The following Buy America Certificate must be completed and submitted with the proposal. A proposal, which does not include the Certificate, may be considered non-responsive. A waiver from the Buy America requirement may be sought by the State if grounds for the waiver exist.

The bidder/proposer agrees to comply with 49 U.S.C. 5323(j) and 49 CFR Part 661, which provide that Federal funds may not be obligated unless steel, iron, and manufactured products used in FTA-funded projects are produced in the United States, unless a waiver has been granted by FTA or the product is subject to a general waiver. General waivers are listed in 49 CFR 661.7, and include final assembly in the United States for 15 passenger vans and 15 passenger wagons produced by Chrysler Corporation, microcomputer equipment, software, and small purchases (currently less than \$100,000) made with capital, operating, or planning funds. Separate requirements for rolling stock are set out at 5323(j)(2)(C) and 49 CFR 661.11. Rolling stock not subject to a general waiver must be manufactured in the United States and have a 60 percent domestic content. A bidder/proposer must submit to WSF the appropriate Buy America certification (below) with all bids/proposals on FTA-funded contracts, except those subject to a general waiver. Bids/Proposals that are not accompanied by a completed Buy America certification will be rejected as nonresponsive. This requirement does not apply to lower tier subcontractors.

FEDERAL TRANSIT ADMINISTRATION

BUY AMERICA CERTIFICATE

Certification requirement for procurement of steel, iron, or manufactured products.

Certificate of Compliance with 49 U.S.C. 5323(j)(1). The bidder/proposer hereby certifies that it will meet the requirements of 49 U.S.C. 5323(j)(1) and the applicable regulations in 49 CFR Part 661.

Company

Name:

Signature:

Title:

Date:

Certificate of Non-Compliance with 49 U.S.C. 5323(j)(1). The bidder/proposer hereby certifies that it cannot comply with the requirements of 49 U.S.C. 5323(j)(1), but it may qualify for an exception pursuant to 49 U.S.C. 5323(j)(2)(B) or (j)(2)(D) and the regulations in 49 CFR 661.7.

Company

Name:

Signature:

Title:

Date:

Certification requirement for procurement of buses, other rolling stock and associated equipment.

Certificate of Compliance with 49 U.S.C. 5323(j)(2)(C). The bidder/proposer hereby certifies that it will comply with the requirements of 49 U.S.C. 5323(j)(2)(C) and the regulations at 49 CFR Part 661.

Company _____ Name: _____

Signature: _____

Title: _____

Date: _____

Certificate of Non-Compliance with 49 U.S.C. 5323(j)(2)(C). The bidder/proposer hereby certifies that it cannot comply with the requirements of 49 U.S.C. 5323(j)(2)(C), but may qualify for an exception pursuant to 49 U.S.C. 5323(j)(2)(B) or (j)(2)(D) and the regulations in 49 CFR 661.7.

Company _____ Name: _____

Signature: _____

Title: _____

Date: _____

II. This RFP is also amended to include the following questions and answers:

Q1. Can WSDOT incorporate into the point of sale software communication requirement the ability to accept two different transponder reader types?

A1. WSF is not adding new requirements at this point.

If the answer to the above question is “no”, then:

Q2. Will WSDOT bid the transponder and transponder readers as a separate bid?

A2. The RCS system must interface with the TNB consistent with requirements 60 and 336. Procurement of transponders is not part of this contract.

Q3. Will WSDOT allow two separate air interfaces to communicate to two different transponder types?

A3. The system must interface with the TNB consistent with requirements 60 and 336. Procurement of transponders is not part of this contract.

Q4. What is the platform for the TRAINS system, what is the front end, back end and the more details about the Hardware used.

A4. WSDOT has replaced the 9672-R63 mainframe with a new IBM z/800 model 0A1. The front end is CICS 3270 terminal emulation accessing the TRAINS accounting software.

Q5. What is the platform for the Fare transaction processor, what is the platform and hardware used?

A5. The regional fare transaction processing environment is MS Intel with an ORACLE database.

Q6. Do we have to interface with different people from the WSF IT department for understanding about the different systems and interfaces or would be a single point of contact. The systems referred to here are TRAINS / ADSS / TNB system /Regional Fare co-ordination Project. As understood from the RFP with exception of the TRAINS system the other are operated and maintained by the staff and the outside contractors of WSF IT dept.

A6. The Single Point of Contact prior to awarding the contract will be Denise Blue; the Single Point of Contact during the contract will be the Project Manager, who will call in WSDOT specialists as necessary.

- Q7. What is the system/ platform used for the TNB project?
- A7. TNB uses a MS Intel based platform running SQL Server that is compliant with WSF/WSDOT level playing field. See requirement 336, 360 and 362.
- Q8. Will there be different databases the system needs to exchange information back and forth. For e.g. incase have the TNB and the Regional Fare co-ordination project and what would those databases be.
- A8. Yes, TNB will use SQL Server and the Regional Fare Collection System will use ORACLE, RCS must exchange information with both of these systems.
- Q9. There is a mention that "fare will be defined in a way that can be determined in a way that can be determined by a system rule based fare structure " Is the vendor also invited to propose a frame work for the fares such that it aids in easier processing by the system.
- A9. Yes, but any changes to fare policy have to be approved by the Transportation Commission.
- Q10. There is a mention that the RCS and the RFCS projects are on a parallel implementation path and the successful RCS vendor must be able to deliver the RCS / RFCS integration modules, kindly advice on who would be the right interface for such information
- A10. The RFCS contractor will provide an interface control document fully describing the interfaces. This information will be provided to the RCS system provider.
- Q11. What are the platforms (front end, back end and the business logic modules)?
- A11. See Section 2.4.1 of the RCS RFP, future RCS/RFCS integration, see page 29.
- Q12. What are the database and the hardware that would be used in that processing system? This is important from the perspective that the RCS system has to fully integrate with the RFCS system.
- A12. See A5 and A8 above.
- Q13. There are some business rules such as the 18 different categories for preferential loading, who would provide us with a set of business rules that are a must have in the different systems.
- A13. **WAC 468-300-700 Preferential loading.** In order to protect public health, safety and commerce; to encourage more efficient use of the ferry system; and to reduce dependency on single occupant private automobiles:
(1) Preferential loading privileges on vessels operated by Washington state ferries (WSF), exempting vehicles from the standard first-come first-served rule, shall be

granted in the order set forth below:

(a) An emergency medical vehicle, medical unit, aid unit, or ambulance dispatched to and returning from an emergency or nonemergency call while in service. Up to one additional vehicle may accompany a qualifying emergency medical vehicle or authorized med-evac when going to, but not when returning from, an emergency.

(b) A public police or fire vehicle only when responding to an emergency call, but not when returning from either an emergency or a nonemergency call. However, these vehicles will receive priority loading when they are returning from either an emergency or nonemergency call to Vashon Island or the San Juan Islands.

(c) A public utility or public utility support vehicle only when responding to an emergency call, but not when returning from either an emergency or a nonemergency call.

(d) Where a vehicle occupant states that an extended wait would cause detrimental health risks to a vehicle occupant, that vehicle will be allowed preferential loading whenever the afflicted occupant has provided a medical form certified by a physician that such preferential loading is required.

However, when that vehicle occupant has not submitted the proper medical form, preferential loading will be permissible based upon appropriate terminal staff determination.

(e) Preferential loading may be granted for vehicles carrying passengers needing to attend to a family member subject to risk of physical threat/harm or medical emergencies which requires the customer's timely access to the vessel's destination.

(f) A visibly marked school vehicle owned, operated, or sponsored by a school** when operating on regular schedules preapproved by the WSF or when advance notice is provided to each affected WSF terminal (**as defined in RCW 28A.150.010 (K-12), RCW 28A.150.020 (public schools), RCW 28A.195.010 (K-12 private schools), and RCW 28B.195.070 (secondary schools)).

(g) A visibly marked, preapproved or regularly scheduled publicly or privately owned public transportation vehicle** operating under a Washington state utilities and transportation commission certificate for public convenience and necessity (**as defined in RCW 81.68.010 (regular route/fixed termini), RCW 81.70.010 (charter and excursion)).

(h) A visibly marked nonprofit or publicly supported transportation vehicle** having provided each affected WSF terminal with advance notice and displaying a WSF permit making it readily identifiable as a public transportation vehicle (**as defined in chapter 81.66 RCW (private, nonprofit special needs)).

(i) A visibly marked and randomly scheduled private for profit transportation vehicle** operating under a Washington state utilities and transportation commission certificate for public convenience and necessity traveling on routes where WSF is the only major access for land-based traffic only when that private for profit transportation vehicle has provided each affected WSF terminal with a preapproved schedule and/or advance notice of its proposed sailing(s), (**as defined in chapter 81.68 RCW (regular route/fixed termini), chapter 81.70 RCW (charter and excursion), chapter 81.66 RCW (private nonprofit special needs), chapter 46.72 RCW (private, for hire)).

(j) A ride-sharing vehicle for persons with special transportation needs** transporting a minimum of three elderly and/or disabled riders or two elderly and/or disabled riders and an attendant displaying WSF ride-share registration program permit only when the operator of that vehicle has provided each affected WSF terminal with advance notice of its proposed sailing(s) (**as defined in RCW 46.74.010 (ride sharing for persons with special transportation needs)).

(k) A visibly marked, public ride-share vehicle** owned by a transit agency and

leased out to members of the public through the transit agency's registration program only when the operator of that vehicle has provided each affected WSF terminal with advance notice of its proposed sailing(s) (**as defined in RCW 46.74.010 (commuter ride sharing)).

(l) A privately owned commuter ride-share vehicle** that visibly displays WSF approved identification markings readily identifiable by the public. There must be a minimum of three occupants in any such vehicle to receive preferential loading. Any such ride-share vehicle must be registered and in good standing in the WSF ride-share registration program (**as defined by RCW 46.74.010 (commuter ride sharing)).

(m) Specific to the Anacortes-San Juan Islands routes, a vehicle carrying livestock and traveling on routes where Washington state ferries is the only major access for land-based traffic, where such livestock (i) is raised for commercial purposes and is recognized by the department of agriculture, county agriculture soil and conservation service, as raised on a farm; or (ii) is traveling to participate in a 4H event sanctioned by a county extension agent.

(n) Specific to the Seattle-Bainbridge and Edmonds-Kingston ferry routes, where a vehicle occupant claims that an extended wait would cause detrimental health risks to their livestock en route to veterinarian services not available in the local community, that vehicle will be allowed preferential loading whenever the vehicle occupant has provided a medical form certified by a veterinarian that such preferential loading is required.

(o) Specific to the Fauntleroy-Vashon, Seattle-Bainbridge, Mukilteo-Clinton, and Anacortes-San Juan ferry routes, any mail delivery vehicle with proper documentation from the U.S. Postal Service showing that such vehicle is in the actual process of delivering mail.

(p) Specific to the Anacortes-San Juan Islands routes, a vehicle 20 ft. and over in length and 10,000 lbs. or greater in weight, provided that the vehicle is carrying or returning from carrying article(s) of commerce for purchase or sale in commercial activity.

(q) Vehicles 20 feet and over in length engaged in the conduct of commerce and/or transportation of passengers where and when WSF management has determined that the sale of vehicle space may promote higher utilization of available route capacity and an increase in revenues.

(r) An oversized or overweight vehicle (20 ft. and over in length, and/or over 8 1/2 ft. in width, and 80,000 lbs. or greater in weight) requiring transport at special times due to tidal conditions, vessel assignments, or availability of space.

(s) A scheduled bicycle group as determined by WSF only when a representative of that group has provided WSF with advance notice of the proposed travel schedule.

(2) Preferential loading privileges shall be subject to the following conditions:

(a) Privileges shall be granted only where physical facilities are deemed by WSF management to be adequate to allow granting the privilege and achieving an efficient operation.

(b) Subject to specified exceptions, documentation outlining qualifications for preferential loading and details of travel will be required in advance from all agencies, companies, or individuals requesting such privileges.

(c) Privileges may be limited to specified time periods as determined by WSF management.

(d) Privileges may require a minimum frequency of travel, as determined by WSF management.

(e) Privileges may be limited to a specific number of vehicle deck spaces and passenger capacity for any one sailing.

(f) Privileges may require arriving at the ferry terminal at a specified time prior to the

scheduled sailing.

(3) To obtain more information about the documentation required and conditions imposed under subsection (2) of this section, call WSF's general information number, (206) 464-6400, or a terminal on a route for which the preferential boarding right is requested.

The Single Point of Contact prior to awarding the contract will be Denise Blue; the Single Point of Contact during the contract will be the Project Manager, who will call in WSDOT specialists as necessary.

- Q14. Can we have documentation that elaborates on the business logic used in the various systems that need to be replaced?
- A14. The RCS Conceptual Design and the Summary developed during Phase I will be posted on the RFP website. <http://www.wsdot.wa.gov/biz/it/>
- Q15. Could we also have colored aerial view maps of the various terminals?
- A15. A full set of colored aerial photos will be posted on the RFP website. <http://www.wsdot.wa.gov/biz/it/>
- Q16. The text “training project positions” listed in 16.6 – RCS Labor in Appendix F, was identified as a “typo” in Q&A session of the tour. Please advise the replacement language for this sentence.
- A.16 16.6 has been revised to read: List all labor hours for each individual to be expended over the course of the RCS project. Project resources and hours must tie back to section 5.2.1.
- Q17. Please confirm the verbal response during the Q&A session that only costs for the first years’ maintenance is to be included in the base price, and that subsequent years’ maintenance costs are to be presented as options.
- A.17. First year’s maintenance is to be included in base price. Maintenance costs shall be stated for 9 additional years and are outside of the \$6 million cap.
- Q18. Article 4.2.9 (M) Performance bond – limits the amount of the performance bond to be placed by the successful bidder to only a 25% of the total contract amount. Will the Washington State Ferries Division consider increasing the percentage of the performance bond to 100% given the direction discussed in Section 8.2.1 of the Federal Transportation Administration Best Practices Procurement Manual?
- A18. Article 8.2.1 refers to construction or facility improvement contracts, not information technology. The 25% bond requirement will remain unchanged.

Q19. We believe in the importance with 100% compliance with the Buy America act, and wish to know how the Washington State Ferries Division will verify Contractor's compliance with the Buy America Act.

A19. See Revision Section I.5 above.

Q20. **Appendix A, Draft Contract states in the first paragraph:**

“This Contract is entered into...for the purpose of purchasing Hardware products and Software licenses for WSDOT/WSF's Revenue Collection System.”

In the second paragraph it states:

“... for the purpose of purchasing a turnkey Revenue Collection System (RCS).”

In the Recitals it states:

“...Contract for the design, development and implementation of the RCS....”

Schedule B, Sample Escrow Agreement states in the first and third paragraphs:

“This Software License Contract...”

Appendix H requirements are detailed so as to conclude that a system integration contract is contemplated and not merely the acquisition of hardware and software licenses.

Please clarify what is meant by the specificity of identifying this as a Software License Contract.

A.21 The reference to “software license contract” in Schedule B of Appendix A (“Sample Escrow Agreement”) is boilerplate language that is contained in all state source code escrow agreements. In the context of the RCS contract, that reference refers to that portion of the sample contract (i.e., Section 10), which grants a software license to the state.

Q21. **Reference Appendix E. Throughout this Appendix, there are repeated references that the Federal Transit Administration (FTA) requirements are for personal services contracts. The Federal Acquisition Regulations define personal services contracts as:**

FAR Part 37.104 -- Personal Services Contracts.

(a) A personal services contract is characterized by the employer-employee relationship it creates between the Government and the contractor's personnel. The Government is normally required to obtain its employees by direct hire under competitive appointment or other procedures required by the civil service laws. Obtaining personal services by contract, rather than by direct hire, circumvents those laws unless Congress has specifically authorized acquisition of the services by contract.

(b) Agencies shall not award personal services contracts unless specifically authorized by statute (e.g., 5 U.S.C. 3109) to do so.

Appendix C requires a Fixed Price Certification. Appendix A, Article 44 on page 107 states:

44. Independent Status of Vendor

In the performance of this Contract, the parties will be acting in their individual, corporate or governmental capacities and not as agents, employees, partners, joint ventures, or associates of one another. The parties intend that an independent contractor relationship will be created by this Contract. The employees or agents of one party shall not be deemed or construed to be the employees or agents of the other party for any purpose whatsoever. Vendor shall not make any claim of right, privilege or benefit, which would accrue to an employee under chapter 41.06 RCW or Title 51 RCW.

- A. Please clarify how the FTA requirements can be personal services yet the actual contract and its execution and fulfillment stipulate an independent contractor relationship.
- B. If the finding is that this is NOT a personal services contract, and since this will be a fixed price award based upon full and open competition, please provide
 - i. The statutory citations for Purchaser and FTA audit requirements, and
 - ii. Clarification that, since this is a fixed price award based upon full and open competition, there will be no audit adjustments to the agreed upon final price.

A21. The concepts of contracts for personal services and contracts for independent contractors are not mutually exclusive. "Personal services" refers to the type of work to be performed; "independent contractor" refers to the legal relationship of the person doing the work for the state.

The Washington State Office of Financial Management defines Personal Services Contracts under chapter 39.29 RCW.

Q22. Reference Appendix G.

Please explain "Federal Sales Tax." We can find no such Federal tax regulations.

A22. This has been changed to read State and Federal Taxes as applicable.

Q23. Reference RFP Section 7.3, RCS System Availability, wherein it states:

RCS will be a critical system for WSDOT; the system must be availability (99.99%) 7X24 weekdays and weekends including holidays. The Vendor must describe how their solution meet WSDOT 99.99% system availability requirement.

It is a physical impossibility that a system be available 99.99% of the time 24x7 365 days per year. Will a vendor who proposes an achievable availability rate of less than 99.99% be automatically disqualified?

Please iterate the definition of “available “ with respect to this RFP

A23. No, but the Vendor must identify achievable availability rate. Scoring will be adjusted for anyone not meeting the 99.99% rate. The 99.99% availability refers to system wide availability. This allows a single component, terminal, workstation, printers to be down for a short period of time without affecting the 99.99% availability. The first paragraph on page 58 of the RCS RFP describes the processes the successful Vendor must include as part of acceptance testing which will determine the baseline for determining 99.99% availability.

Q24. Reference Appendix A—Preamble, wherein it states:

WSDOT intends that the benefits of this procurement also be available to other WSDOT divisions on a statewide basis in the event that other WSDOT projects requiring collection of fares and tolls are built.

Is it WSDOT's intention to provide these benefits to other WSDOT divisions without further compensation to the Vendor? Also, given the definition of “Purchaser” in Appendix A, is it the intent of this procurement to also include the State of Oregon in consideration of these benefits?

A24. No. The procurement benefits are not compensated for. The benefit is that other WSDOT divisions will not have to do another procurement process and may use the awarded contract. The contractor will be paid for work performed and licenses acquired as provided in the contract.

Yes, Oregon may benefit by using the procurement process, if they choose. Oregon will then have to pay contractor for work performed and licenses acquired.

Q25. Reference Appendix A, Section 12 of the Draft Agreement, Software Code Escrow

This section stipulates a sample escrow agreement and also states that the Vendor will pay for all escrow fees and expenses. In order to price in the appropriate escrow costs, it is necessary to have identified an escrow agent. Would it be acceptable to WSDOT for a vendor to assume the use of the Vendor's escrow agent, the Vendor's escrow agent's standard escrow agreement and the escrow agent's price list? This would then supersede the requirement of the sample escrow agreement in Schedule B.

A25. The vendor should assume whatever escrow costs it believes to be appropriate. WSDOT does not agree to substitute the vendor's escrow agent's standard escrow agreement, without prior review and approval.

Q26. Reference Appendix A, Section 22, Shipping and Risk of Loss

Please explain what "FOD," as referenced therein, stands for.

A26 This section has been replaced. See Section I.4 above.

Q27. **Reference Appendix A, Section 26.9, Standard of Performance and Acceptance, wherein it states:**

"IT IS AGREED AND UNDERSTOOD THAT ACCEPTANCE OF ANY DELIVERABLE BY PURCHASER, THE COMPLETED PRODUCT AND SERVICE REQUIRED BY THIS CONTRACT ("WORK PRODUCT"), TO THE LEVEL OF PERFORMANCE REQUIRED HEREIN, AND/OR PAYMENT FOR THE INDIVIDUAL ITEM OF WORK, PRODUCT OR COMPONENT PART SHALL NOT BE DEEMED AN ACCEPTANCE OF THE "WORK PRODUCT", FOR WHICH THIS CONTRACT HAS BEEN ISSUED."

Please clarify why acceptance of the ("WORK PRODUCT") in the first instance above is not deemed acceptance of the "WORK PRODUCT" in the second instance above.

A27. See Section I.1, Revised 26.9 and 26.10 above.

Q28. Reference Appendix A, Section 35. Compliance with Standards, wherein it states:

Vendor represents that all Hardware, Software, and elements thereof, including but not limited to documentation and source code, shall meet and be maintained by Vendor to conform to the standards set forth on Schedule B.

Please note that Schedule B to Appendix A is the Sample Escrow Agreement and not a set of standards.

A28. See Section I.2 above.

Q29. Reference Appendix A, Section 37.5, wherein it states:

The monitoring, auditing, or investigating may include, but is not limited to, salting databases.

Please define what is meant by “salting databases.”

A29 See New Appendix O, Governor Executive Order 00-03, hereinafter attached and incorporated herein. Located at the IT Website.

Q30. Reference Appendix A, Section 41, Item h., wherein it states:

The terms and conditions contained on Purchaser’s order documents, if used...

Please provide these in an addendum so that they may be reviewed prior to contract signature.

A30 See New Appendix P, WSDOT Purchase Order Document, hereinafter attached and incorporated herein. Located at the IT Website.

Q31. Reference Appendix A, Section 50.4, wherein states:

It is agreed that books, records, documents, and other evidence of accounting procedures and practices related to Vendor’s cost structure, including overhead, general and administrative expenses, and profit factors shall be excluded from Purchaser’s review unless the cost or any other material issue under this Contract is calculated or derived from these factors.

Per Appendix C, this is Fixed Price Procurement. Please confirm that overhead, general and administrative expenses, and profit factors shall be excluded from Purchaser’s review for purposes of audit, audit exceptions and disallowed costs.

A31. If your calculations include these factors, then they are part of the discoverable materials

Q32. Reference Appendix A, Section 53.2

Please note that insurance companies do not allow for additional insureds on Professional Liability Insurance Policies. The coverage for errors and omissions is limited strictly to the insured.

Also, the requirement that the Vendor must provide an irrevocable stand-by letter of credit or other financial assurance in the amount of \$1,000,000 for the initial term, any options thereto and for six years thereafter to pay for premiums to continue such claims-made policies, or available tails, whichever is appropriate, is not an industry standard requirement and would unnecessarily inflate the contract price. Given that WSDOT will have done sufficient due diligence prior to award of the contract to ensure the financial stability and the long-term presence in the market place of the selected firm, please reconsider this requirement.

A32. Article 53 Insurance has been revised to provide an alternative to the irrevocable stand-by letter of credit. Refer to the revised Appendix A — RCS Phase II Contract Terms and Conditions for the revised text.

Q33. Reference Appendix A, Section 58, Antitrust Violations, wherein it states:

Vendor and Purchaser recognize that, in actual economic practice, overcharges resulting from antitrust violations are usually borne by Purchaser. Therefore, Vendor hereby assigns to Purchaser any and all claims for such overcharges as to goods and services purchased in connection with this Contract, except as to overcharges not passed on to Purchaser resulting from antitrust violations commencing after the date of the bid, quotation, or other event establishing the Price under this Contract.

Please clarify the intent of this paragraph and/or consider the deletion thereof.

A33. Section 58 of Appendix A speaks for itself. WSDOT/WSF does not agree to delete this paragraph.

Q34. Reference Appendix A, Section 67.2 Liquidated Damages--Specific

c) If the RCS Vendor causes delays in the Regional Fare Coordination System project schedule the RCS Vendor shall be liable for damages resulting from such delays.

Please specify what these specific damages would be, and the values thereof.

A34. The damages cannot not be quantified at this time and delays caused by the Vendor may cause a WSDOT delay under Contract No. 229944, for the Regional Fare Coordination System and an Interlocal Cooperation Agreement No. GCA 3602. An excerpt of those terms and conditions is attached hereto as Appendix Q.

Q35. Reference Sections 9.2, Appendix F and Appendix H

Section 9.2 states that the price quoted must not exceed \$6,000,000. Page 68 has 7 bullets under “Proposed Price for RCS Evaluation.” Appendix F lists pricing requirements for 16.1 through 16.8. Missing from Section 9.2 is Item 16.2, which is (M) **RCS Software Customization Cost**.

Please clarify if all of those items identified in Appendix H for which hours and dollars are indicated next to each requirement as a cost to develop capability, should then be brought forth into Section 16.2 in Appendix F AND therefore included as part of the not to exceed price of \$6,000,000 or if customization is in addition to the \$6,000,000 price limit.

A35. Customization costs are to be included in the \$6 million.

Q36. Reference Section 9.1, wherein it states:

“...WSF shall pay maintenance and support fees to the Vendor calculated at five percent (5%) of Vendor’s then-current license fee for the software product.”

Because it is not clear from the language contained in the RFP such as “This Software License Contract,” “Turnkey Revenue Collection System,” “Contract...for the purpose of purchasing Hardware products and Software licenses,” would it be acceptable for a Vendor to price out Maintenance Services in accordance with its standard pricing policies for Maintenance Services in lieu of this 5% figure?”

A36. The Vendor establishes the base price for the first year’s maintenance, and that price should be included in the initial bid. For future increases of hardware and software maintenance license fees must be capped at 5% per year for years 2 through 10.

Q37. Reference Section 2

Are the results of the Phase 1 study contract awarded in 2002 available for review? If so, please consider distribution of such.

A37. Refer to A14.

Q38. *What is the maximum permitted vehicle width in a single lane and overall?*

A38. The maximum vehicle width is dictated by the physical facilities or vessel. The current limits are 8.5 to 24 feet, depending on the route taken. Future modifications to facilities/vessels may permit wider vehicles and the proposed solution needs to accommodate user defined width limits for all facilities and vessels.

Q39. *What is the maximum permitted vehicle length (by vessel or location)?*

A 39. The maximum vehicle length is dictated by the physical facilities or vessel. The current limits are 60 to 100+ feet, depending on the route taken. Future modifications to facilities may permit longer vehicles, than are currently allowed

at certain locations, and the proposed solution needs to accommodate user defined width limits for all facilities and vessels.

Q40. *What is the maximum number of pedestrians allowed on a vessel?*

A40. The maximum number of passengers (includes vessel crew, walk-ons, vehicle passengers) permitted on a vessel is established by the Coast Guard and is specific to each individual vessel and in some cases the route. The current range is from 200 to 2500 passengers. The RCS must accommodate user defined limits for each vessel with possible maximums greater than 2500.

Q41. Regarding the required SOW discussed in Section 5.3...the paragraph preceding 5.3.1 talks about the preliminary SOW vs. the final SOW. Do we assume that all project deliverables listed in 5.3.1 need to be included with our proposal in the 'preliminary' SOW?

A41 - Yes

Q42. Which terminal will receive automation equipment and which terminal will not?

A42.

| | Terminal | Vehicle Toll Booths | Automatic Vehicle Metric | Vehicle Toll Booth - Ftp & Bar-code | Automatic Redemption - Ftp & Bar-code | Hand Held Ftp & Bar-code - Vehicle/Pedestrian | Vehicle Lane Counters | Passenger Toll Booth | Automated Redemption Turnstiles Ftp & Bar-code | Counters - Confirm Pedestrians | Kiosk - Automatic Sales (No Revalue) |
|-----|-------------------|---------------------|--------------------------|-------------------------------------|---------------------------------------|---|-----------------------|----------------------|--|--------------------------------|--------------------------------------|
| 1.1 | Colman Auto | 4 | 4 | 4 | 0 | 2 | 6 | 0 | 0 | 0 | 0 |
| 1.2 | Pier 50 | 0 | 0 | 0 | 0 | 0 | 0 | 1 | 5 | 2 | 4 |
| 1.3 | Colman Pass | 0 | 0 | 0 | 0 | 0 | 0 | 4 | 16 | 3 | 8 |
| 2 | Anacortes | 4 | 4 | 4 | 0 | 2 | 4 | 3 | 4 | 2 | 2 |
| 3 | Edmonds | 3 | 3 | 3 | 0 | 2 | 2 | 2 | 4 | 1 | 2 |
| 4 | Bainbridge Island | 4 | 4 | 2 | 2 | 1 | 4 | 1 | 0 | 2 | 2 |
| 5 | Bremerton | 3 | 3 | 1 | 2 | 1 | 4 | 1 | 0 | 3 | 2 |
| 6 | Kingston | 3 | 3 | 2 | 1 | 1 | 4 | 0 | 0 | 2 | 2 |
| 7 | Clinton | 4 | 4 | 2 | 2 | 1 | 4 | 0 | 0 | 2 | 2 |
| 8 | Mukilteo | 3 | 0 | 3 | 0 | 2 | 2 | 1 | 2 | 1 | 2 |
| 9 | Fauntleroy | 2 | 0 | 2 | 0 | 3 | 2 | 1 | 2 | 1 | 2 |
| 10 | Vashon Island | 0 | 0 | 0 | 0 | 2 | 4 | 0 | 0 | 2 | 2 |
| 11 | Southworth | 2 | 0 | 2 | 0 | 1 | 2 | 0 | 0 | 1 | 2 |
| 12 | Tahlequah | 0 | 0 | 0 | 0 | 0 | 1 | 0 | 0 | 1 | 0 |
| 13 | Point Defiance | 1 | 0 | 1 | 0 | 1 | 1 | 1 | 0 | 1 | 0 |
| 14 | Port Townsend | 2 | 0 | 2 | 0 | 1 | 3 | 0 | 0 | 2 | 2 |
| 15 | Keystone | 2 | 0 | 2 | 0 | 1 | 2 | 0 | 0 | 1 | 2 |
| 16 | Friday Harbor | 0 | 0 | 0 | 0 | 1 | 2 | 1 | 0 | 1 | 1 |
| 17 | Orcas Island | 1 | 0 | 1 | 0 | 1 | 1 | 1 | 0 | 1 | 1 |
| 18 | Lopez Island | 0 | 0 | 0 | 0 | 1 | 1 | 1 | 0 | 1 | 1 |
| 19 | Sidney B.C. | 2 | 2 | 2 | 0 | 1 | 2 | 1 | 0 | 1 | 0 |
| 20 | Shaw Island | 0 | 0 | 0 | 0 | 1 | 1 | 1 | 0 | 1 | 0 |
| | Vessels | 0 | 0 | 0 | 0 | 0 | na | 0 | 0 | 0 | 29 |
| | Totals | 40 | 27 | 33 | 7 | 26 | 52 | 20 | 33 | 32 | 68 |

Q43. Is there a budget and has it been approved?

A43. Yes, there is a budget. Yes, it has been approved.

Q44. Is there a mandate that is driving the replacement of the current POS system or is it business decisions?

A44. This is no legislative mandate for the RCS project, however there are a number factors, which are driving the need for a new revenue collections system such as:

1. The Existing POS hardware is no longer being manufactured, new units have to be built from spare parts; these factors makes it difficult and expensive to repair or replace the POS devices.
2. We need to integrate with two external projects, Tacoma Narrows Bridge and the Regional Fare Coordination System.
3. The hardware and software architecture of the exiting system makes it difficult and in many cases impossible to provide new capabilities and services.
4. We want to be more efficient in how we do business.
5. The new RCS system responds to state auditor's findings concerning revenue controls. The new RCS system will improve audit controls.

Q45. Is the vendor responsible of describing a network topology as well as the solution including the type of communications line between sites? Topology meaning dial up or T1 lines ECT necessary to communicate back to the processor.

A45. Yes we are expecting the vendor to describe and propose a topology that supports their solution.

Q46. Will the vendor be responsible to lay the communication line between the tollbooths?

A46. No, The vendor will be responsible for implementing connections to the communication room.

Q47. Does the Vendor need to include in their description of the network topology the segment from the communication equipment room at each terminal out to the tollbooths

A47. No, the vendor only needs to propose the topology up to the communication room at each terminal.

Q48. Out of the total of 13 ferry terminals how many have been upgraded with fiber optic cable?

A48. WSF has installed fiber optic cable extending from the communication rooms out to the tollbooths at all terminals except two.

Q49. In the RFP you request certain payment options must be supported. If a vendor has a valued added option (an option that is not request by the RFP) where should the vendor include a description of the extra value option?

A49. This should be included in Appendix H as part of the response to the requested payment option. It should also be include it in Section 7.1 the executive overview of your solution.

Q50. Which part of your customer base, do you intend to have access to smart cards?

A50. We would like to see all of our customers use smart card or transponders for payment of their fares. It is a desire to eliminate the physical passes and coupon book inventory.

Q51. When WSF is trying to move everyone to smart cards/transponders why are you also requesting the ability to print receipts.

A51. As we move sales out of the tollbooth to kiosks and out onto the WEB customers will want to buy a single fare tickets which will require a receipt that can be presented at redemption and confirmations points. For customer coming through the auto tollbooths a receipt needs to be printed showing which lane they should get into for the sailing they have been assigned to.

Q52. Are their any solutions, implementations of a solution that has been totally ruled out?

A52. WSF desires a turnkey system, with a turnkey system we realize we may have to change some of our business processes, so at this point we have not ruled out any options. We encourage vendor to be creative in their proposal.

Q53. Item number 23 in Appendix H, what is a cash pickup warning?

A53. As the cash in the drawer accumulates, the system indicates the preset limit has been reached. The seller is required to reduce the cash in their drawer by doing a drop. The drop safe needs to be interfaced with RCS to record the drop. The system should prevent further transactions until the drop has been made.

Q54. Can you explain how a trip cancellation voucher works?

A54. When a trip is cancelled, the customer receives a voucher so that they can travel at a future time. WSF requires the RCS to issue these cancellation vouchers.

Q55. Does WSF currently use credit and debit cards?

A55. WSF only accepts credit cards. We want to add debit cards with the implementation of RCS.

Q56. Do you have a bank that does your credit card authorizing and processing?

A56. Alliance Data System (ADS) is our credit card authorizer and they work with our bank, which is Bank of America. The Office of the State Treasure (OST) negotiates and maintains the contracts with ADS and Bank of America. WSF is obligated to use the contract OST negotiates.

Any solution that is proposed must work with either ADS or Bank of America and the vendor must pay for any certification, if necessary.

Q57. Are proposal in excess of \$6 million disqualified?

A57. No, but proposed solutions with costs in excess of \$6 million will lose points.

A58. How will you handle vendors who may have a good solution, but costs are too high? Will we have a chance to negotiate the price?

A58. The vendor will loose points for solutions with costs in excess of \$6 million. The apparently successful vendor will negotiate the final contract in accordance with Section 10.2.6 of the RCS RFP.

Q59. Do you currently use Barcodes?

A59. Yes.

Q60. Do you currently take hazardous material entry?

A60. Yes, charter only.

Q61. Do I need to worry about hazardous material entry for this project?

A61. The RCS system must take the reservations for the charters, collect the revenue and read receipts. RCS is not expected to track the types of hazardous material allowed on the vessels.

Q62. The \$6 million cap, does this include software, hardware, services, devices, etc?

A62. Yes.

Q63. Can we have a flowchart of that elucidates what follows after a customer buys a ticket online or physically all the way till the money is accounted for in the TRAINS system/ or whatever is the logical end for a particular transaction. This would help us track the transactions that follow at each stage, understand the inputs and outputs that go into the various systems and link all the various system in a process flow chain.

A63. Refer to page 32, Figure 9 – RCS Conceptual Data Flow Diagram. Conceptually WSF views Figure 9 as how RCS data might flow.

Q64. Can the merit of a very strong, successful and globally renowned (1 of its kind globally) reference case alter the criteria for a minimum of 3 references?

A64. We are requiring 3 references that demonstrate the vendor's ability to provide the proposed turnkey solution.